

LABOR CABINET
Department of Workplace Standards
(New Administrative Regulation)

803 KAR 1:068. Recordkeeping requirements.

RELATES TO: KRS 337.275, 337.285

STATUTORY AUTHORITY: KRS 337.295

NECESSITY, FUNCTION, AND CONFORMITY: KRS 337.320 requires employers to keep records of hours of work and wages paid to employees subject to the provisions of KRS Chapter 337 for one year after entry and provides that the commissioner determine what information is required. The function of this administrative regulation is to set forth the recordkeeping requirements for employers subject to KRS Chapter 337.

Section 1. Definition. "Workday" means any consecutive twenty-four (24) hours.

Section 2. Each employer shall keep the records required by this administrative regulation safe and accessible at the place or places of employment, or at one or more established central recordkeeping offices where the records are customarily maintained. Where the records are maintained at a central recordkeeping office, other than in the place or places of employment, the records shall be made available within seventy-two (72) hours following notice from the commissioner or the commissioner's authorized representative.

Section 3. Every employer shall maintain and preserve payroll or other records containing the following information and data for employees subject to KRS Chapter 337:

- (1) Name in full, and on the same record, the employee's identifying symbol or number if used in place of name on any time, work, or payroll records;
- (2) Social Security number;
- (3) Home address, including zip code;
- (4) Date of birth, if under eighteen (18);
- (5) Sex and occupation in which employed;
- (6) Time of day and day of week on which the employee's workweek begins.
 - (a) If the employee is part of a work force or employed in or by an employer all of whose workers have a workweek beginning at the same time on the same day, a single notation of the time of the day and beginning day of the workweek for the whole work force shall suffice.
 - (b) If, however, any employee or group of employees has a workweek beginning and ending at a different time, a separate notation shall be kept for that employee or group of employees;
- (7) Hours worked each workday and each workweek;
- (8) Regular rate of pay and total straight-time earnings or wages for all hours worked during the workweek;
- (9) Total overtime compensation for the workweek;
- (10) Total additions to or deductions from wages paid each pay period. Every employer making additions to or deductions from wages shall also maintain, in individual employee accounts, a record of the dates, amounts, and nature of the items which make up the total addition and deductions; and
- (11) Total wages paid each pay period and date of payment.

Section 4. Employers who make retroactive payment of wages or compensation due under KRS 337.275 and 337.285 shall:

- (1) Prepare a report of each payment showing the amount of payment to each employee, the period covered by the payment, and the date of payment;
- (2) File the original report, which shall evidence payment by the employer and receipt by the employee, with the commissioner or the commissioner's authorized representative within ten (10) days after payment is made;
- (3) Deliver a copy of the report to the employee; and
- (4) Preserve a copy of the report as part of the employee's records.

KIMBERLEE C. PERRY, Commissioner

JAMIE LINK, Secretary

APPROVED BY AGENCY: January 3, 2022

FILED WITH LRC: January 10, 2022

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on March 28, 2022 at 1:00pm (ET). This hearing will be conducted by live videoconference (ZOOM) pursuant to Senate Bill 150, Section 1, subparagraph 8(b) (R.S. 2020) and the continuing state of emergency due to the novel coronavirus pandemic. Public access to the meeting will be available at <https://us06web.zoom.us/j/88108844438>, or by telephone at (713) 353-0212 or 888-822-7517 (toll free), conference code 786462. Individuals interested in being heard at this hearing shall notify this agency in writing five (5) working days prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to attend the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through March 31, 2022. Send notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Duane Hammons, Labor Cabinet, Mayo-Underwood Building, 500 Mero Street, 3rd Floor, Frankfort, Kentucky 40601, phone (502) 564-1507, fax (502) 564-5484, email Kenneth.hammons@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Duane Hammons

- (1) Provide a brief summary of:

- (a) What this administrative regulation does: This administrative regulation sets forth the recordkeeping requirements for employers subject to KRS 337.320 in order to provide evidence that records are maintained.

- (b) The necessity of this administrative regulation: This administrative regulation is necessary to establish recordkeeping requirements for employers subject to KRS 337.320 in order for employers keep proper records which helps ensure proper pay to employees.

- (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 337.295 authorizes the commissioner to promulgate administrative regulations under KRS 337.275 to 337.325, 337.345, and 337.385 to 337.405.

- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation clarifies what the requirements are for recordkeeping pursuant to KRS 337.320.

- (2) If this is an amendment to an existing regulation, provide a brief summary of:

- (a) How this amendment will change this existing administrative regulation:

- (b) The necessity of the amendment to this administrative regulation:
- (c) How the amendment conforms to the content of the authorizing statutes:
- (d) How the amendment will assist in the effective administration of the statutes:
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation affects all subject employers who employ employees in the Commonwealth subject to KRS Chapter 337, as well as their employees.
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
 - (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: No additional compliance duties are required by this administrative regulation as it is replacing 803 KAR 1:066.
 - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There is no additional cost associated with this administrative regulation as it is replacing 803 KAR 1:066.
 - (c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Improved employee protection and guidance for employers on requirements for compliance of KRS 337.320.
- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
 - (a) Initially: This administrative regulation is not anticipated to generate any new or additional costs as it is replacing 803 KAR 1:066.
 - (b) On a continuing basis: This administrative regulation is not anticipated to generate any new or additional costs as it is replacing 803 KAR 1:066.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Current state funding.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new or by the change if it is an amendment: This administrative regulation is not anticipated to generate any increase in fees or funding as it is replacing 803 KAR 1:066.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: There are no fees associated with this administrative regulation.
- (9) TIERING: Is tiering applied? Tiering is not applied. All employers and employees covered by KRS Chapter 337 are treated equally.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

- (1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? Most state and local governmental entities are subject to KRS Chapter 337.
- (2) Identify each state or federal statute or regulation that requires or authorizes the action taken by the administrative regulation. KRS 337.295.
- (3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.
 - (a) How much revenue will the administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue.

(b) How much revenue will the administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue.

(c) How much will it cost to administer this program for the first year? There is no cost to this administrative regulation as it is replacing 803 KAR 1:066.

(d) How much will it cost to administer this program for subsequent years? There is no cost as this administrative regulation is replacing 803 KAR 1:066.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): Unknown

Expenditures (+/-): Unknown

Other Explanation: This administrative regulation does not impose any additional requirements or expenditures as it is replacing 803 KAR 1:066.